

## FISCAL NOTE

TO: Chief Clerk of the Senate  
Chief Clerk of the House

FROM: Fiscal Review Committee Staff

DATE: February 15, 1995

SUBJECT: **SB 323 - HB 529**

This bill, if enacted, will amend the *Retail Food Store Inspection Act* of the Department of Agriculture and the Department of Health's *Hotel, Food Service Establishment and Public Swimming Pool Act*. This bill provides that prior to beginning employment within a food service establishment and at least once each year thereafter, each employee must obtain from the county health department or from his/her private physician a certificate indicating such employee has been tested and is free of tuberculosis, hepatitis, and such other communicable diseases as the respective commissioners shall specify by rules.

The fiscal impact from enactment of this bill is estimated to be an increase in one-time state expenditures of \$30,000 and an increase in first year recurring state expenditures of \$8,059,968 as shown below:

### **I. Cost of Division of State Laboratories - TDH**

- A. Tuberculosis Testing Cost (assumes 5% of the 22,500 persons coming to county health departments that have had a positive TB PDD (skin test) and would be given an x-ray which looked suspicious and a sputum/TB test would be required).  
 $22,500 \times 5\% = 1,125 \times 3 \text{ tests each} = 3,375 \text{ tests required}$

1 Microbiologist II @ \$2,022/mo.	\$ 24,264
Benefits @ 22%	5,338
Printing	3,000
Communications	18,400
Supplies	121,300
Equipment (non-recurring)	<u>10,000</u>
Subtotal	\$182,302

**SB 323 - HB 529**

B. Hepatitis A Testing Cost (assumes state labs would perform 375,000 tests)

6 Microbiologists II @ \$2,022/mo.	\$145,584
4 Lab Technicians II @ \$985/mo.	47,280
4 Clerks III @ \$1,077/mo.	51,696
Benefits @ 22%	53,803
Printing	9,000
Communications	123,800
Supplies	4,270,000
Equipment (non-recurring)	<u>20,000</u>
Subtotal	\$4,721,163

**II. Cost to the County Health Departments - TDH**

TB Skin Test and Hepatitis A Cost (to perform physical exams, TB tests, blood specimens and chest x-rays)

55 County Health PHNs II @ \$1,789/mo.	\$1,180,740
Benefits @ 22%	259,763
Communications (to mail approx. vials of blood)	75,000
Supplies (to perform exams & TB skin tests)	750,000
X-ray cost	562,500
Grants (contract with physicians to perform physical exams)	337,500
Printing (health certificates)	<u>21,000</u>
Subtotal	\$3,186,503

**Grand Total                      \$8,089,968**

These estimates are based on the following assumptions:

Estimated no. of food service employees in TN	330,000
Assumes a 50% turnover rate/year of food service employees	<u>165,000</u>
Estimated no. exams required per year for certificates	495,000
(Rounded)	500,000
Assumes that 75% of the 500,000 will obtain certificates from local health depts./clinics	375,000
Assumes that 25% of the 500,000 will obtain certificates from private physicians/clinics	125,000

Assumes that 6% of those tested for TB will be PPD+ (positive) and will require a medical exam plus an x-ray	22,500
Assumes that 5% of the TB/PPD+ (positives) will require further follow-up and sputum exams (3 required)	1,125
Assumes test to be done would be:	
Hepatitis: Hepatitis A Test Only	
Tuberculosis: (1) Do TB skin test	
(2) If TB skin test positive, then do exam & chest x-ray	
(3) If x-ray suspicious or person has symptoms, then do sputum exam and send sputum culture to state lab for TB test	

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

**Fiscal Review Committee Staff**